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**Agreement Can Help Our Textile Industry Survive**  
*CAFTA-DR Would Boost Sales of U.S.-Made Yarn and Fabric*  
By David Spooner

Last month saw the end of global textile quotas, as a 10-year phase-out negotiated by the Clinton administration during the last global trade round came to a close. Textile producers are concerned about what this might mean for the future of one of this state's most important industries.

For America's textile industry to survive, we must find ways to compete against Asia in this new environment. That's why the Bush administration has worked hard to ensure that the interests of our textile industry and workers are addressed.

As part of China joining the World Trade Organization, for example, the United States insisted on a special textile safeguard, designed as a safety valve to mitigate large import surges, which the industry has successfully used.

The administration has also acted to prevent import surges from non-WTO countries. But we're not focused solely on playing defense -- we're actively working to expand export opportunities for our textile companies, while providing more choices for American consumers.

A regional opportunity Fortunately, the second largest export market for U.S. yarn and fabric is right in our neighborhood. The administration has acted to help our textile industry strengthen its partnerships with Central America so we can better compete with Asia. The administration negotiated the CAFTA-DR, a pending trade arrangement with Central America and the Dominican Republic, that creates strong incentives for regional apparel producers to purchase U.S. yarn and fabric. To qualify for special trade benefits under CAFTA-DR, virtually all apparel imported from the region must contain U.S. yarn and fabric, because Central America doesn't have a textile industry of its own. The agreement also contains strong customs enforcement provisions and a special textile safeguard to protect against unwanted import surges.

More than 90 percent of apparel entering the United States under CAFTA-DR must adhere to rules supported by our textile industry that require the use of U.S. yarn and fabric in apparel imported from Central America. With these rules for textiles, CAFTA-DR is one of the tightest trade agreements ever negotiated, far tighter than the NAFTA. Many textile industry leaders realize this, and know it is important for Congress to approve CAFTA-DR and to do so quickly. These leaders include many of the yarn spinners in Gaston County. They know the textile industry needs to boost yarn and fabric sales in the face of oncoming competition from China. They also know that if CAFTA-DR is defeated or delayed, their apparel-making customers in Central America will almost certainly move to China, taking their order-books with them.

After all, an apparel company in Central America is far more likely to buy U.S. textiles than an apparel company in Asia.

Renegotiate? No Some critics say they "want a CAFTA-DR, just not this CAFTA-DR." Don't be fooled. CAFTA-DR won't be renegotiated, nor should it be. The agreement is good for the U.S. textile industry and will ensure that more than 90 percent of all apparel made in the region will be sewn from U.S.-made fabric and yarn. Delaying CAFTA-DR is not a survival plan, because every passing day brings closer the threat of good customers moving to China, perhaps never to be heard from again.

Many forward-looking textile leaders in North Carolina know that to save jobs in our textile mills and yarn spinning facilities, the industry needs the boost in exports that CAFTA-DR would bring. Right now, their phones are ringing from Central American customers buying U.S. yarn and fabric -- yarn and fabric from N.C. employers such as Unifi, National Textile, Parkdale Mills, Burlington, Asheboro Elastics and American & Efird. We need to keep those customers calling.

The administration is working with Congress to move CAFTA forward. Congress needs to pass CAFTA.

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